IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.10386 of 2007

Date of Decision: 11.12.2007

M/s Shri Rama Krishna Grain Mills Pvt. Ltd. District Ferozepur and others.

...Petitioners.

Vs.

State of Punjab and Others

..Respondents.

CORAM : HON'BLE MR.JUSTICE M.M.KUMAR

HON'BLE MR.JUSTICE RAKESH KUMAR JAIN

* * *

Present: Mr.P.K.Goklaney, Advocate for the petitioners.

Mr.Amit Chaudhary, AAG Punjab for respondent No.1.

Mr.N.S.Virk, Advocate for respondents No.2 to 4.

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M.M.KUMAR, J.

This petition filed under Article 226 of the Constitution prays for quashing demand notices issued for payment of market fee by various market committees to the petitioners. The petitioners have been issued demand notices dated 16.5.2007 (Annexure P/2), 20.6.2007 (P/3), 16.5.2007 (P/4), 31.5.2007 (P/5) and 16.5.2007 (P/6). The issue which has been raised by the petitioners is that it is admittedly a food processing unit and has purchased wheat from various market committees and that its capacity to process the wheat has been duly declared to the respondent-market committees. It has been asserted that under Rule 30(13) of the Punjab Agricultural Produce Markets (General) Rules, 1962(for brevity 'the Rules'), it is exempted from levy of market fee. The provisions of

Rule 30(1) and 30(13)(i) of the Rules, which has been relied upon by the petitioners, reads as under:-

> "30. Exemption from payment of fees. (1) No market fee shall be levied on the sale or purchase of any Agricultural Produce Manufactured or extracted from the agricultural produce in respect of which such fee has already been paid in the same notified market area or in any other notified market area or in any other notified market area within the state.
>
> 30(13)(i) No market fee shall be levied on wheat and maize purchased by the wheat and maize processing industries for manufacture of products therefrom such as wheat flour and its secondary/tertiary products such as bread, biscuits, pasta, noodles etc. starch and its delvalives ; gluten etc. in the State of Punjab".

We have heard learned counsel at some length. However, learned counsel for respondents No.2 to 4 has stated that the impugned notices may be permitted to be withdrawn with liberty to the respondents to proceed against the petitioners in accordance with law. The prayer made by the counsel for the respondents has been readily accepted by the learned counsel for the petitioners.

In view of the above, demand notices dated 16.5.2007 (Annexure P/2), 20.6.2007 (P/3), 16.5.2007 (P/4), 31.5.2007 (P/5) and 16.5.2007 (P/6) are ordered to be withdrawn with liberty in terms of the prayer made by learned counsel for the respondents.

Accordingly, the writ petition stands disposed of.

(M.M.Kumar)
Judge

(Rakesh Kumar Jain)
Judge

11.12.2007
Meenu